

South Carolina Retirement Systems



The Reporting Process

Active member contributions

- Your employees (SCRS, PORS, and State ORP) contribute 6.5 percent of gross pay into their respective retirement plan.



Employer contributions

Type of Employer	Employer Retirement Contribution	Insurance Surcharge	Employer Rate plus Surcharge	Group Life Contribution	Accidental Death Contribution
<i>State Agencies, Public School Districts, Institutions of Higher Education</i>	9.24% 10.65% 4.24%(+5% to members acct)	3.50%	12.740%	0.15%	N/A
SCRS					
PORS - Class II					
State ORP					
<i>Political Subdivisions Not Covered Under Retiree Insurance Surcharge</i>		N/A	9.24%	0.15%	N/A
SCRS					
PORS - Class I					
PORS - Class II					
<i>Political Subdivisions Covered Under Retiree Insurance Surcharge</i>		3.50%	12.740%	0.15%	N/A
SCRS					
PORS - Class II	10.65%	3.50%	14.150%	0.20%	0.20%



Note: Plan for a PORS employer rate increase July 2009 of approximately .50 percent.

Working retiree contributions

- **SCRS retiree, without PORS account, returns to work in PORS position**
 - Retiree and employer pay SCRS rate
- **PORS retiree, without SCRS account, returns to work in SCRS position**
 - Retiree and employer pay PORS rate
- **If a working retiree is receiving both an SCRS and a PORS retirement benefit, the working retiree will remit contributions to the system into which an active member employed in the position would normally contribute.**



Contribution rate changes

- If an increase in the **employer** contribution rate occurs, apply the increased rate based on the date the money was **paid**.
- If an increase in the **employee** contribution rate occurs, apply the increased rate to when the money was **earned**.



Contribution requirements

- **Salary or wages**
 - Contributions due on gross pay, before taxes
- **Wages paid while on sick or annual leave**
- **Unused annual/general leave**
 - Contributions are deductible on up to and including 45 days termination pay for unused annual/general leave



Contribution requirements

- Overtime and compensatory time
- Contribution limit
 - Applies to employees who became members after December 31, 1995
 - The limitation for calendar year 2008 is \$230,000



Wages not subject to contributions

- Payments out of the regular salary base
- One-time bonus and incentive-type payments
- Retirement incentive payments
- Long-term disability benefits
- Payments for unused sick leave
- Payments for more than 45 days of unused annual leave
- Payments made for annual leave/paid time-off while the employee remains in service should not be counted for contributions.



Annual leave payments for Teacher and Employee Retention Incentive (TERI) participants

- TERI participants who joined the program before July 1, 2005:
 - The annual leave payment made upon termination at the end of TERI participation is not subject to contributions (employer or employee).
 - Withhold contributions ONLY on the annual leave payment made at the onset of TERI participation.



Annual leave payments for TERI participants

- **TERI participants who joined the program on or after July 1, 2005:**
 - **Withhold contributions only on the annual leave payment made upon termination, at the end of TERI participation.**
 - **Do not withhold contributions on any annual leave payment made at the onset of TERI participation.**



Reporting

- Employers report contributions to the Retirement Systems on a monthly basis.
- Every month, employers send the employee and employer contribution money to SCRS.
- You can wire the money, send a paper check, or we can debit it from your account. Please contact Patricia Miller at (803) 737-6904 for more information. *ACH Debit Authorization* (**Form 1226**) will be required for automatic debits.



Due Date Calendar

- Every July, a memo is sent to all covered employers, which includes the *Due Date Calendar* (Form 1341) and all the green envelopes you will need for the year.



Monthly and quarterly deposit forms

- When you complete your monthly deposit forms online through EES, your quarterly form is pre-filled with the previous two months' data.
- You can also go online to follow up for confirmation of receipt and to see any errors.



Monthly and quarterly deposit forms

- Forms provided through EES are pre-filled with the contribution rates.
- With EES, the computer does most of the calculating for you!



Monthly deposit of retirement contributions process

Does not pertain to those on Comptroller General's payroll system

- After creating *Monthly Deposit Form* via EES, print and submit with payment.
- These forms are bar-coded with the employer code and date information. Be careful to use the form that corresponds with the appropriate month.
- The Retirement Systems provides green envelopes for remittances.



Quarterly deposit of retirement contributions process

Does not pertain to those on Comptroller General's payroll system

- After creating *Quarterly Deposit Form* via EES, print and submit with payment.



Printing your deposit forms

- When you complete your monthly or quarterly deposit form on EES, it is important to click the “Create PDF” button at the bottom of the screen before printing so that it prints properly.
- The form is not sent to the Retirement Systems via the Internet. You must print and mail the form along with your remittance.



What do I put in the green envelopes?

First two months in a quarter

- Refer to your *Due Date Calendar*.
- If you are reporting contributions for the first two months in a quarter:
 - Insert the *Monthly Deposit of Retirement Contributions* (Form 1244), which you completed through EES and printed; and
 - Your check (unless you have pre-authorized a ACH or debit from your account)



What do I put in the green envelopes?

Last month in a quarter

- If you are reporting contributions for the last month in a quarter:
 - Insert the *Quarterly Deposit* (Form 1246) you completed on EES and printed;
 - Your check (unless participating in ACH or debit); and
 - **Your payroll information**
 - Many employers send their payroll information on a flat file via CD or floppy disk.
 - You can enter your payroll information into EES
 - The floppy disk or CD contains a list of employees, their full SSNs, and their salary
 - This should be in a .txt file format



Can I fax the deposit forms instead of mailing them?

- Yes! If you have authorized ACH or debit from your account, you can fax the form to our office at (803) 737-6810 prior to the due date.
- If you authorized ACH, we will expect the money to have arrived at our office by the due date.
- If you authorized debit, we will pull the amount indicated on your report from the specified bank account on the due date.



Payroll records on diskette or CD

- If the payroll record that you send to us on CD or diskette at the end of the quarter does not match what you report on your quarterly report, your figures will not balance.
- If this happens, complete and send an *Adjustments to Magnetic Media Reports* (Form 1223) along with your diskette or CD to make the correction.



Late payments

- Late remittances are subject to interest charges.
- The interest rate is based on the adjusted prime rate (as of March) and is updated annually in July.



Late payments

- The Retirement Systems will notify an employer if the monthly or quarterly deposits (Forms 1244 and 1246) are not received within 10 days of the due date.
- Employers will also be notified if the detail quarterly report information (EES) is not received within 10 days of the due date.



Corrections to past reports

- If a service or contribution error was made on a past report, you can correct the reporting by submitting a *Supplemental Contribution Report* (Form 1227)
- Form 1340 may be useful to you as you attempt to make this correction, as it provides prior year contribution rates.



Supplemental Service Report

(Form 1224)

- This form is used to report contributions for members who are in a specific type of leave without pay who wish to continue their contributions.
- Examples:
 - Military leave (USERRA)
 - Worker's Compensation
 - Furlough



Employer reporting representatives

- Our Employer Reporting Department has staff assigned specifically to your particular employer code.
- See the “Notice” included with the July contribution memo for your representative’s name and contact information.



School districts and contract lengths

- It is very important to consider the implications of changing an employee's contract length before the fiscal year ends.
- If, in the September quarterly report, you report an employee on a 10-month contract, then the employee's service credit will be edited so that by the end of the school year, she will have earned one full year.
- If you change the contract length to 11 or 12, for example, then the employee will be short service credit for the year.
- Refer to the **Contract Period Chart**.



Posting service credit

- At the end of the quarter, all of the reported contributions are posted to the member accounts.
- When you view a member's account on EES, the account will be current only through the previous quarter.



Posting service credit

- **Contract length**
- **Months paid**
- **Threshold**
 - **Currently \$524**
 - **Will increase to \$580 on October 1, 2009.**
 - **Threshold increases in conjunction with the federal minimum wage. Minimum wage x 80 hours per month = threshold.**



EES

- Using EES is an efficient tool to assist you in your contribution reporting.
- You can click on “Deposit Forms” to initiate your contribution reporting.
- Errors on your reports can be found by clicking “Employer Transaction Error List.”



Obtaining access to EES

- Complete an *Electronic Employer Services (EES) Employer Confidentiality Agreement* (Form 6503), an *Electronic Employer Services (EES) Authorizing Contact Designation/Agreement* (Form 6504), and an *Electronic Employer Services (EES) Designated Agent Confidentiality Agreement* (Form 6505) and return them to our office.
- A user identification (USERID) and personal identification number (PIN) will be provided for access to this secure Web site.



EES-ER payroll data entry

- Our office will automatically enter your payroll data into EES-ER if you have more than 20 employees.
- EES-ER is a function residing within EES available only to smaller employers that would otherwise send their quarterly detail data via paper.
- If you have fewer than 20 employees, you will need to enter the data yourself or you can continue to remit your payroll data through diskette, CD, or *Standard Retirement Quarterly Report* (Form 1221)



Summary quiz

- If you do not already have access to EES, how do you obtain a USERID and PIN?
- What is the contribution rate for members/employees of SCRS, PORS, State ORP, and working retirees?
- What is the base employer retirement contribution rate for SCRS, PORS, and State ORP?



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Employers covered by the South Carolina Retirement Systems are not agents of the Retirement Systems.



Questions

